



## DIVISION OF MEDICAL SERVICES PROVIDER BULLETIN

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### PHARMACY BULLETIN

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#### CONTENTS

- NCPDP VERSION 5.1 REQUIRED FOR POS – OCTOBER 1, 2004
  - BLAST EMAIL NOTIFICATIONS
  - PHARMACY COST AVOIDANCE
  - COMPOUNDS
  - CLAIM INTEGRITY FOR PHARMACY PROVIDERS
  - CAPTURED CLAIMS
  - PREPAYMENT REVIEW
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#### **NCPDP VERSION 5.1 REQUIRED FOR POS – OCTOBER 1, 2004**

As noted in Pharmacy Bulletin Vol. 26, No.1, dated September 16, 2003, the Missouri Medicaid pharmacy program implemented NCPDP version 5.1 for all Point-of-Sale (POS) pharmacy claims billing effective October 16, 2003 in order to comply with the Health Insurance Portability and Accountability Act (HIPAA). Version 5.1 allows expanded messaging capabilities to providers which will be increasingly important as the pharmacy program continues to implement future billing enhancements. **Effective October 1, 2004 Missouri Medicaid only accepts pharmacy claims submitted via POS using version 5.1.**

Please refer to the September 16, 2003 Pharmacy Bulletin for additional information on accessing the NCPDP Telecommunication V.5.1 and Batch Transaction Standard V.1.1 Companion Guide as well as information on changes in claims submission.

#### **BLAST EMAIL NOTIFICATIONS**

In an effort to decrease expenditures, Missouri Medicaid is no longer mailing provider notifications. In order to notify providers in a timely manner of changes in Missouri Medicaid, we are using blast e-mail notifications. To sign up for this service please visit the Division of Medical Services (DMS) website at <http://dss.missouri.gov/dms> and click on "Subscribe to Missouri Medicaid News" at the top of the webpage. Providers are strongly encouraged to participate in this method of communication in order to stay abreast of important Medicaid information. Missouri Medicaid program specific information is available on the DMS website at <http://dss.missouri.gov/dms>

**PHARMACY COST AVOIDANCE**

In order to continue cost-containment efforts, Missouri Medicaid is in the process of developing an automated Third Party Liability (TPL) Cost Avoidance program to replace the current “pay and chase” system. It is anticipated this change will become effective in the First Quarter 2005. Please continue to monitor the website for updates.

**COMPOUNDS**

If a compound claim is submitted to Missouri Medicaid via POS version 5.1 and one or more of the ingredients are not payable, the entire claim – including all National Drug Codes (NDCs) – will be automatically reversed. It is then the pharmacy’s option to resubmit the claim with the appropriate Submission Clarification Code. If the pharmacy submits the compound with all NDCs (both payable and non-payable) and includes a Submission Clarification Code value of 08 in field 420-DK, Missouri Medicaid will process the claim for those ingredients that are covered.

**CLAIM INTEGRITY FOR PHARMACY PROVIDERS**

As previously mentioned, it is the responsibility of each provider to ensure the accuracy of all data transmitted on claims submitted to the Medicaid programs, regardless of the media utilized. As provided in 13 CSR 70.3.030, sanctions may be imposed by the Medicaid agency against a provider for failure to take reasonable measures to review claims for accuracy. For example, it has been noted that pharmacies are continuing to submit claims containing expired NDCs. This billing practice causes disputes with drug manufacturers as well as unnecessary expenditure of additional resources when settling the Federal Rebate invoices. Please note that Missouri Medicaid will be taking action to recover all funds paid for expired NDCs, and providers who continue this billing practice will be subject to appropriate sanctions. In addition, other billing errors, including incorrect quantities, days supply, prescriber identification, dates of service, and usual and customary charges, caused or committed by the provider or their employees are subject to recoupment. This includes but is not limited to, failure to review remittance advices provided for claims resulting in payments that do not correspond to the actual services rendered. Ongoing, overt, or intentionally misleading claims may be grounds for allegations of fraud and will be appropriately pursued by the agency.

**CAPTURED CLAIMS**

At times Missouri Medicaid will capture a claim rather than adjudicate the claim online. This most often occurs if the recipient is a hospice patient, the claim is for an NDC on prepayment review, or the date of service on the claim is older than 45 days. These captured claims require either manual review or a more extensive history check. Captured claims are adjudicated at least twice per week. To check the status of a captured claim you may call the Missouri Medicaid Interactive Voice Response System (IVR) at (800) 392-0938. Option 3 will provide claim information. You will need your Medicaid provider number, the recipient number, the date of service of the captured claim, and you will be asked to enter the type of claim. Missouri Medicaid continues to enhance the Pharmacy Program including the information returned on a captured claim, and will continue to provide information on any additional changes.

**PREPAYMENT REVIEW**

Due to the high number of unit billing errors submitted by providers, the Pharmacy Program has continued the drug prepayment review program. Prepayment review is a process by which all paper and Internet claims for certain products are reviewed for **unit billing and days supply accuracy** prior to payments being processed. These claims will suspend until reviewed.

Providers can expect an approximate 2 to 4 day delay in payment processing for these claims. Point of Sale (POS) claims are no longer subject to this review. POS claims ARE still subject to post payment review for unit billing and days supply accuracy. In addition, POS claims will be denied if the appropriate **decimal quantity** is not submitted. Please note that providers billing via the Internet may now bill a decimal quantity. For specific questions concerning these drug products and their claims payment status, contact the Pharmacy Administration Unit at (573) 751-6963.

Following is a list of the products currently on prepayment review:

<b>Drug Name</b>	<b>Generic Name</b>	<b>Strength</b>
Neupogen	Filgrastim	180mcg/1.6mL
Neupogen	Filgrastim	300mcg/0.5mL
Neupogen	Filgrastim	480mcg/0.8mL
Neulasta	Pegfilgrastim	6mg/0.6mL

**COPAXONE** has been removed from prepayment review. Please note that all Copaxone claims submitted to Missouri Medicaid should be for a quantity of **ONE (1)** per kit, not 30.

**Provider Bulletins** are available on the DMS Website at <http://www.dss.mo.gov/dms/pages/bulletins.htm>. Bulletins will remain on the Published Bulletin site only until incorporated into the [provider manuals](#) as appropriate, then moved to the Archived Bulletin site.

**Missouri Medicaid News:** Providers and other interested parties are urged to go to the DMS Website at <http://dss.missouri.gov/dms/subscribe/MedNewsSubscribe.htm> to subscribe to the listserve to receive automatic notifications of provider bulletins, provider manual updates, and other official Missouri Medicaid communications via e-mail.

**MC+ Managed Care:** The information contained in this bulletin applies to coverage for:

- MC+ Fee-for-Service
- Medicaid Fee-for-Service
- Services not included in MC+ Managed Care

Questions regarding MC+ Managed Care benefits should be directed to the patient's MC+ Managed Care health plan. Before delivering a service, please check the patient's eligibility status by swiping the red MC+ card or by calling the Interactive Voice Response (IVR) System at 1-800-392-0938 and using Option One.

**Provider Communications Hotline**  
**800-392-0938 or 573-751-2896**